

Janae Smith

From: Tracey Pilsch <Tracey.Pilsch@usac.org>
Sent: Wednesday, April 12, 2017 2:22 PM
To: Janae Smith
Subject: RE: USAC info

Follow Up Flag: Follow up
Flag Status: Flagged

Janae,

You will need to Appeal to the FCC for reduction or removal of the Late Filing Fees. USAC does not have authority to reduce those fees. Explain your history and reasoning and see if they will decide that they can be reduced.

As mentioned before though, USAC will be able to apply a credit for the amounts that are confirmed with your Underlying carriers on the Affidavits. Please send us the second Affidavit when you receive it and I will send your case to the appropriate people in USAC.

In looking at your 2016 and 2017 Form 499A's and 499Q filings submitted by you, it would be advantageous if there is a way to report an accurate amount of interstate revenue, in lieu of using the Safe Harbor of 64.9%. Perhaps there is a way to establish a reasonable estimate of the actual interstate revenues, using your underlying carriers USF charge as compared to your total charge each month from them?

1. Do your invoices from your underlying carriers show an Interstate revenue line? (This would be simplest way to determine % of your totals that are interstate)
2. Or on what revenue did they base your USF charges during 2015 and 2016? And do you know how they calculated the amount of universal service fees they charged you or what Contribution Factor they applied?

Tracey Pilsch

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From: Janae Smith [mailto:JanaeS@audian.com]
Sent: Friday, March 31, 2017 12:15 PM
To: Tracey Pilsch <Tracey.Pilsch@usac.org>
Subject: RE: USAC info

Okay, so we can appeal the late fees as well as the amount that we paid then? Is that how that works?

Janae M. Smith | COO

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From: Tracey Pilsch [<mailto:Tracey.Pilsch@usac.org>]
Sent: Friday, March 31, 2017 9:15 AM
To: Janae Smith <JanaeS@audian.com>
Subject: RE: USAC info

It is up to you to submit an Appeal with the supporting documents/Affadavit from your Underlying Carrier.

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From: Janae Smith [<mailto:JanaeS@audian.com>]
Sent: Friday, March 31, 2017 12:13 PM
To: Tracey Pilsch <Tracey.Pilsch@usac.org>
Subject: RE: USAC info

Hi, Tracey.

Thanks so much! Let me see what I can do.

Has there been any headway or luck on getting the late fees waived?

Please let me know, thanks!

Janae M. Smith | COO

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From: Tracey Pilsch [<mailto:Tracey.Pilsch@usac.org>]
Sent: Friday, March 31, 2017 6:23 AM
To: Janae Smith <JanaeS@audian.com>
Subject: USAC info
Importance: High

Janae,

Here is more information on your options concerning your outstanding USF fees for past years. As I had mentioned, the responsibility does lie on the reseller to gather the data but also the affidavits from your underlying carriers.

If there is ANY WAY that your underlying carrier can refile their 2016 Form 499A today, look at Method 1... today is the end of the 2016 499A Filing Period which reflects the revenues they charged you during the 2015 calendar year. Moving those revenues into Carriers Carriers would allow USAC to reduce the amount of USF they were charged for 2015 revenues, and we can apply that credit to your account. (I do not recall if you were non deminimis in CY 2015.) Then

also since they now know that in 2016 you were no longer de minimis, their 2017 499 A should reflect your invoices in Block 3 (carriers Carrier) and that Form is due April 3rd, but has a grace period until April 15th before late charges are earned.

Otherwise Method 2 is needed. This is what we had been talking about before. Hopefully your underlying carriers will agree to the Affidavits.

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Sent: Thursday, March 30, 2017 11:04 AM
To: Tracey Pilsch <Tracey.Pilsch@usac.org>
Subject: Language for carriers who paid USF twice

Double USF Payments

If you have contributed to the Universal Service Fund (USF) for a given period twice, once to your underlying carrier and once to USAC, you have two methods to receive credits.

Method 1 – Open Filing Period

If the filing period of the FCC Form 499-A for the period of double contributions is still open, notify your underlying carrier that you are a direct USF contributor for that period and the underlying carrier can file, or refile, its FCC Form 499-A, reporting the revenues from your company as a reseller in Block 3. USAC will use the new/revised FCC Form 499-A filing to give the underlying carrier a credit, which then should be passed along to your company.

Method 2 – Closed Filing Period

If the FCC Form 499-A for the period of double contributions is in the past (calendar year 2015 or prior) OR if the underlying carrier refuses to give you a credit, then you can use this new method to obtain a credit from USAC.

On January 13, 2017, the FCC released [FCC Order 17-66](#)¹ that provides a remedy to resellers for contributions to the USF that were paid to their underlying providers. In order to be found eligible for this remedy, resellers have to demonstrate by preponderance of evidence that the underlying provider (i.e. wholesale provider) has contributed on the amounts at issue.

As noted in the order, the burden of proof is on the reseller to prove to USAC that its underlying carrier contributed to the universal service fund on revenues from the telecommunications services sold. Such evidence should include:

- A sworn affidavit from the certifying officer of the underlying carrier (wholesale provider) attesting to the amount of USF surcharges submitted on behalf of the reseller. This affidavit should also include the filer number as well as the year of the FCC Form 499-A the USF surcharges were included on.
- Invoices or other evidence of the services billed to the reseller or the amounts paid by the resale provider (reseller) to the wholesale provider. This evidence should outline the USF surcharges billed and the time period covered.

If you believe you may have made duplicate payments to the universal service fund, please contact us directly at form499@usac.org.

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